

GEORGE V. VOINOVICH
OHIO

317 HART SENATE OFFICE BUILDING
(202) 224-3353

TDD: (202) 224-6997

senator_voinovich@voinovich.senate.gov
http://voinovich.senate.gov

United States Senate

WASHINGTON, DC 20510-3504

**ENVIRONMENT AND
PUBLIC WORKS**
CHAIRMAN, SUBCOMMITTEE ON CLEAN AIR,
CLIMATE CHANGE AND NUCLEAR SAFETY

ETHICS
CHAIRMAN

FOREIGN RELATIONS

GOVERNMENTAL AFFAIRS
CHAIRMAN, SUBCOMMITTEE ON
OVERSIGHT OF GOVERNMENT MANAGEMENT,
THE FEDERAL WORKFORCE AND
THE DISTRICT OF COLUMBIA

February 9, 2004

The Honorable Spencer Abraham
Secretary
U.S. Department of Energy
1000 Independence Avenue, SW
Washington, D.C. 20585

Dear Secretary Abraham:

I am writing today to express my concerns about the Department of Energy's (DOE) proposed revisions to the reporting guidelines under section 1605(b) of the Energy Policy Act of 1992 (EPAct).

As Chairman of the Climate Change Subcommittee, I have been actively involved in the debate on United States' policy on climate change. I am pleased that President Bush has dedicated a substantial amount of resources to climate change research and committed the nation to a comprehensive strategy to reduce the greenhouse gas intensity of the American economy by 18 percent over 10 years.

During my service as Governor when I signed into law and implemented Ohio's very successful brownfields Voluntary Action Program that has resulted in over 100 sites being cleaned up around the state, I saw firsthand the success of voluntary programs. As a result of our interest in climate change and support for voluntary initiatives, Senator Chuck Hagel and I introduced an amendment to the energy bill in 2002 to establish a national greenhouse gas registry. This amendment attempted to replicate the success of Ohio's brownfields law by providing incentives for industry to get involved and reduce greenhouse gases.

President Bush also recognized the importance of incentives in his climate policy statement on February 14, 2002. Specifically, he directed DOE and other federal agencies to provide companies that undertake reductions credit and protection so they are not penalized in the event of future regulatory policy changes. This policy position was repeated in the four-agency letter to the President on July 8, 2002 that also included a recommendation that the Administration engage in a process to evaluate the extent to which early actions qualify for credit. However, it appears that the revisions DOE proposed on December 5, 2003 to the reporting guidelines under section 1605(b) of EPAct do not provide the necessary mechanisms to encourage involvement by industry in the climate change program.

STATE OFFICES:
36 EAST SEVENTH STREET
ROOM 2615
CINCINNATI, OHIO 45202
(513) 884-3285

1240 EAST NINTH STREET
ROOM 2956
CLEVELAND, OHIO 44199
(216) 522-7096

37 WEST BROAD STREET
ROOM 320 (CASEWORK)
COLUMBUS, OHIO 43215
(614) 469-6774

37 WEST BROAD STREET
ROOM 310
COLUMBUS, OHIO 43215
(614) 469-6697

417 SECOND AVENUE
P.O. BOX 758
GALLIPOLIS, OHIO 45831
(740) 441-8410

420 MADISON AVENUE
ROOM 1210
TOLEDO, OHIO 43604
(419) 259-3895

Letter to Secretary Abraham
February 9, 2004
Page 2

Additionally, the proposed guidelines may ultimately jeopardize the success of voluntary programs because they contain a tiered system, which distinguishes between companies that register and those that report. This system gives special recognition to registrants but does not detail the benefit to companies of taking on the requirements over and above those of being a reporter. Furthermore, the proposed process of moving from reporting to registering seems overly cumbersome and may serve as a disincentive to register. Thus, the tiered system may deter companies from participating and engaging in voluntary programs.

Finally, the proposed guidelines for registration focus on entity-wide reporting to the exclusion of project-based reporting. However, it is my understanding that current emissions trading for greenhouse gases are focused on project-based reductions. The proposal seems to overlook the project-based greenhouse reduction activities of manufacturers, utilities, service companies, and others.

I know that we share a deep interest in a workable reporting system that truly serves the interests of the Administration's voluntary climate policy. I look forward to working with you on this very important and timely matter.

Sincerely,


George V. Voinovich
United States Senator

cc: Robert G. Card
Under Secretary for Energy, Science, and Environment
U.S. Department of Energy